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Foreign CROPS AND MARKETS

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FOREIGN CROPS AND MARKETS

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FLUE-CURED TOBACCO SALES WELL UNDERWAY IN RHODESIA

Prices for Rhodesian flue-cured tobacco at the Salisbury auctions averaged the equivalent of U. S. 26.1 cents from the beginning of 1959 sales on March 17 through April 9. About 15.9 million pounds had been sold--mostly low-quality lug and priming grades, along with considerable nondescript.

Total sales a year ago through April 10, amounted to 14.4 million pounds, at an average price equivalent to 36.0 cents.

SWISS OUTPUT OF "MARYLAND" CIGARETTES CONTINUES TO GAIN

Consumer demand for cigarettes containing high percentages of U. S. Maryland tobacco continued to increase in Switzerland last year. Swiss output of "Maryland-type" cigarettes amounted to about 5.0 billion pieces, compared with 4.4 billion in 1957.

Of total 1958 output--9.6 billion--"Maryland-type" accounted for 52 percent; in 1957, they represented 48 percent of total 9.0 billion output. A few years ago--in 1950--they made up only 39 percent. American-blended cigarettes and oriental-types showed small increases last year over 1957. Domestic (dark) types and straight flue-cured decreased a little.

The sharp gain in Swiss cigarette output in 1958 is attributed mainly to the growing number of women smokers. Women prefer filter-tipped cigarettes, and these made up 69 percent of total output last year--probably the highest proportion for any country. Cigarette output is expected to increase further in 1959.

BELGIAN OUTPUT OF TOBACCO PRODUCTS STEADY

Output of tobacco products in Belgium totaled 53.1 million pounds in 1958, practically the same as in 1957. Output of cigarettes, at 10,866 million pieces last year, was 3 percent larger than in 1957. Cigars also showed a slight increase, but these gains were largely offset by a drop in output of smoking mixtures and cigarillos.

TOBACCO PRODUCTS: Belgian output, 1956-58

Product	:	1956	:	1957	:	1958
Cigarettes (million pieces)...	:	9,460	:	10,546	:	10,866
Cigars (million pieces).....	:	127	:	135	:	149
Cigarillos (million pieces)...	:	612	:	642	:	612
Smoking mixtures(1,000 pounds):	:	20,752	:	20,556	:	19,877

Source: FEDETAB (Federation of Tobacco Manufacturers and Distributors).

DOMINICAN REPUBLIC ESTABLISHES COFFEE CONTROL AGENCY

The Dominican Republic has established a coffee control agency called "Control del Cafe". This agency is to control the buying, selling, handling, and distribution of domestic coffee. It will also fix the minimum prices to be paid for coffee and will have the authority to take actions necessary to carry out the control's objectives.

TURKEY'S TOBACCO EXPORTS IN 1958 DROP SHARPLY

Turkey's 1958 exports of unmanufactured tobacco, at 147 million pounds, were about 25 percent below the record of 195 million in 1957.

A drop of 37 million pounds in exports to the United States--from 88 million in 1957 to 51 million last year--accounted for most of the decline. Exports to other major markets--West Germany, East Germany, Czechoslovakia, and Poland--were lower in 1958 than in 1957. The principal increase was in exports to the Soviet Union, which took nearly 11 million pounds in 1958, compared with a little more than 2 million in 1957.

TOBACCO, UNMANUFACTURED: Turkey, exports by country of destination, 1956-58

Country of destination	1956	1957	1958
	1,000 pounds	1,000 pounds	1,000 pounds
United States.....	47,174	87,951	51,083
Germany, East.....	14,122	21,752	15,392
Germany, West.....	17,688	19,930	17,314
Czechoslovakia.....	9,184	11,750	9,469
Poland.....	8,634	11,508	9,033
Soviet Union.....	617	2,264	10,921
France.....	5,093	6,128	7,929
Italy.....	5,066	6,538	6,484
Austria.....	3,479	3,568	3,036
Egypt.....	2,760	3,648	1,037
United Kingdom.....	4,285	2,790	1,640
Hungary.....	2,142	2,211	3,554
Yugoslavia.....	---	3,307	1,102
Finland.....	3,126	1,324	1,176
Switzerland.....	3,344	1,913	1,406
Others.....	7,134	8,458	6,645
Total.....	133,848	195,040	147,221

Source: Tobacco Intelligence.

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AUSTRALIA INCREASES BLENDING REQUIREMENTS FOR DOMESTIC TOBACCO

The Australian Ministry for Customs and Excise has announced that manufacturers of cigarettes and smoking tobacco will be required to use larger percentages of domestic leaf, effective July 1, 1959, to be eligible for reduced duties on imported leaf. The government authorizes a reduction of 18d. (U.S. 17 cents) per pound in import duties if manufacturers use a specified minimum percentage of domestic tobacco.

Manufacturers will have to use at least 22 percent Australian leaf in cigarettes and at least 22.5 percent in smoking tobaccos to comply with the new regulation. For the year beginning July 1, 1958, the percentages were 15.5 percent and 16.5 percent, respectively.

CUBAN SUGAR TARGET TWO-THIRDS ATTAINED

The Cuban Sugar Millowners Association reports that 3,961,326 Spanish long tons (4,499,000 short tons) of sugar had been produced by April 21, 1959. This is 68.3 percent of the authorized crop of 5.8 million Spanish long tons (6.6 million short tons). By the same date in 1958, 4,613,782 Spanish long tons (5,240,000 short tons) had been produced, or 82.2 percent of the total crop of 5,610,000 Spanish long tons (6,372,000 short tons). These figures exclude green and liquid sugars.

If the 1959 authorized total is to be attained, the processing season will have to be extended beyond July 8, termination date for the 1958 crop.

GHANA'S COCOA MID-CROPS EXPECTED TO SET RECORD

Ghana's 1959 mid-crop of cocoa has been estimated at a record 15,000 long tons. Past production has ranged between 4,000 and 12,000 tons.

Mid-crops (spring and summer) will probably be even larger in the future. Cocoa farmers have planted large new areas in the Ashanti region. Most of the planting material is of Amazon types which produce throughout the year, whereas previously planted varieties bear one large main crop and a small mid-crop. Since 1955, Ghana's Department of Agriculture has issued 5.5 million Amazon seedlings and given out 2.3 million Amazon pods.

Since the beginning of the swollen shoot cutout program in 1948, about 80 million trees have been removed from approximately 133,000 acres. By the beginning of 1959, 20,073 acres on 11,947 farms in former swollen shoot areas had been certified for replanting. Actual acreage replanted is estimated at twice this amount. Tree conditions at present are reported as very good except in areas where capsids have not been controlled.

NIGERIAN COCOA PROSPECTS GOOD

Cacao trees in Nigeria are reportedly in very good condition following early April rains, and the outlook at present is good.

The Western Region Department of Agriculture gave out 4.5 million Amazon seedlings in 1958; it plans to give out 6.5 million in 1959, and has set a goal of 8 million for 1960. New plantings and replantings are believed to be more than compensating for trees going out of production, thereby increasing the possibility of larger annual crops.

An intensive training program stressing the use of sprayers to control capsids is now underway.

WEST GERMANY FACES MOUNTING SUGAR SURPLUS

Farmers of West Germany face growing problems arising from the mounting sugar surplus in that country.

Stocks in the hands of refiners and importers on October 1, 1959 (the beginning of the new crop season) are expected to reach an unprecedented high of about 480,000 metric tons (530,000 short tons refined value). This situation is the result of the record-large 1958-59 domestic sugar production--about 20 percent above 1957-58 output and at least 100,000 metric tons more than annual domestic consumption--and the obligation to import some 220,000 metric tons (243,000 short tons refined) from West Germany's trade agreement partners.

To curb further expansion, the Ministry of Agriculture, under authority granted by the 1951 Sugar Law has limited sugar sales by factories during the 1959-60 season to 85 percent of 1958-59 production.

FRANCE EXPECTED TO GROW LESS OILSEEDS IN 1959, IMPORT MORE

France's oilseed production in 1959 is expected to be considerably smaller than in 1958 because of reduced plantings, particularly of rapeseed, the major oilseed crop.

While the 1958 harvest of rapeseed (colza and navette), at 200,000 short tons, was 13 percent above 1957 and the largest outturn since 1952, output failed to reach early expectations as continuous rains ruined over 49,400 acres of the crop.

Total oilseed production in 1958, including flaxseed from flax grown for fiber, totaled 253,000 tons--almost 12,000 tons more than in the previous year.

France continued to be a major importer of oilbearing materials in 1958. However, with domestic production large, imports of both raw materials and vegetable oils were slightly less than in 1957. With the expected decrease in domestic oilseed production this year, imports very likely will increase.

Over half of oilseed imports are traditionally from French West Africa, and about three-fourths of all imported vegetable oils from countries of the French Union. The United States is the major supplier of soybeans, while Canada and the United States are the major sources of flaxseed. France probably will continue to import oilseeds, oils, and oilcakes from the United States, but there is little likelihood of any increase in such trade in the foreseeable future.

VEGETABLE OILS 1/: France, supply and distribution, 1957 and 1958 2/

Supply	1957	1958	Distribution	1957	1958
	1,000			1,000	
	short tons			short tons	
Opening stocks, Jan. 1:			Apparent consumption:		
Edible.....	15.1	26.1	Edible.....	300.5	307.3
Palm.....	4.7	5.6	Palm.....	154.2	144.3
Industrial.....	7.2	9.2	Industrial.....	70.5	75.0
Total.....	27.0	40.9	Total.....	525.2	526.6
Production <u>3/</u> :			Exports:		
Edible.....	235.7	256.5	Edible.....	14.9	30.1
Palm.....	126.3	123.0	Palm.....	.5	1.3
Industrial.....	54.2	52.0	Industrial.....	1.4	1.3
Total.....	416.2	431.5	Total.....	16.8	32.6
Imports:			Waste <u>4/</u> :		
Edible.....	97.7	90.9	Edible.....	7.0	7.0
Palm.....	32.5	27.1	Palm.....	3.2	3.1
Industrial.....	21.4	28.1	Industrial.....	1.7	1.8
Total.....	151.7	146.0	Total.....	11.9	11.8
Total supply:			Ending stocks, Dec. 31:		
Edible.....	348.5	373.4	Edible.....	26.1	29.1
Palm.....	163.5	155.7	Palm.....	5.6	7.1
Industrial.....	82.8	89.3	Industrial.....	9.2	11.3
Total.....	594.8	618.5	Total.....	40.9	47.5
			Total distribution:		
			Edible.....	348.5	373.4
			Palm.....	163.5	155.7
			Industrial.....	82.8	89.3
			Total.....	594.8	618.5

1/ Excluding olive oil. 2/ Totals computed from unrounded data. 3/ Includes production from imported oilseeds. 4/ Probably refining loss.

France's 1958 supply of vegetable oils, excluding olive oil, totaled 618,000 short tons--about 4 percent larger than in 1957. Most of the increase was in edible oils, and was due largely to the expansion in domestic rapeseed production.

NETHERLANDS LOWERS PROPORTION OF DOMESTIC WHEAT IN FLOUR

The Netherlands' Product Board for Grains has announced the lowering of the required admixture of domestic wheat in locally produced flour. The mediocre quality of a large part of the 1958 wheat crop is responsible for the action lowering the compulsory proportion of domestic wheat to 25 percent of the total grist. Formerly, admixture of at least 30 percent of domestic wheat with imported wheats was required.

The new regulation means that more imported wheat will be needed during the remainder of the marketing season. Meanwhile, low-grade domestic wheat will be used as feed, with a government subsidy covering price differences. Imports during 1957-58 totaled 46 million bushels of wheat including flour, of which the United States supplied about 8 million bushels.

ADVERSE WEATHER AFFECTS CHILEAN CROPS

Despite a rise of about 7 percent in planted area, Chile's 1959 production of important grains, pulses, and vegetables may be nearly 5 percent less than a year ago because of adverse weather.

Storms and frost in South Central Chile lowered yields of wheat, oats, and other early grain crops harvested from November through March. They also contributed to the spread of disease which damaged later crops-- beans, lentils, potatoes, and grapes.

Recent storms, heavy rains, and cold weather hurt late crops throughout Chile. The principal crops damaged have been grapes, beans, corn, alfalfa, and potatoes. The extent of the damage has not been determined, but some sources place loss in grapes at 15 percent and beans at 5 percent.

While crops in general are reduced, the wheat situation is still better than normal, according to official Chilean sources. The 1958-59 wheat crop, estimated at 1.1 million metric tons, is the second largest in the country's history. A surplus of 40,000 metric tons of durum wheat may be available for export during the year. Wheat imports are estimated at 100,000 metric tons. Prior to recent storms, the vegetable oil situation was considered good, with import requirements estimated at 10,000 metric tons. Chile's expanding beet sugar industry is expected to produce a record 50,000 metric tons during 1959.

In view of production prospects, the Ministry of Finance has approved an initial list of agricultural commodities for export during 1959. These include: canned fruits, garbanzos, beeswax, honey, export-type beans (Arroz, Cristales, Red Kidney, and Triguitos), lemons, frozen mutton from Magallanes, and sheep skins and wool from Aysen and Magallanes. Recently, the Ministry placed the following export quotas (thousand metric tons): Onions, 30; frozen lamb and mutton, 3; Magallanes wool, 7; domestic dry beans from 1957-58 crop, 5. A quota of 200,000 cases of condensed milk was also approved.

BOLIVIA BANS EXPORTS OF UNSORTED VICUNA HAIR

A Bolivian Ministerial Resolution of April 13 prohibits exportation of unsorted vicuna hair--a wool-like specialty fiber--in order to provide additional work for Bolivian labor. Exports of vicuna wool waste must be approved by the Ministry of Finance. Bolivia is a major U. S. source of vicuna imports.

PROSPECTS BRIGHT FOR MEXICAN CATTLEMEN

The Nuevo Laredo Cattle Association in the State of Tamaulipas, Mexico, is pressing for a substantial increase in export permits from the State. Exports are now limited to 500 head every 3 months. The association estimates that Tamaulipas has the capacity to export several times the number of cattle authorized for export in 1958.

Mexico has had a marked increase in average rainfall during the past 2 years, and pastures have steadily improved. Cattlemen in the north-eastern area, in particular, feel they have entered a new era of prosperity after the long drought prior to 1957.

ARGENTINE HIDE EXPORTS EXPECTED TO BE LOWER IN 1959

Exports of Argentine cattle hides are expected to be lower in 1959 as a result of decreased cattle slaughter. With higher prices for cattle now in effect and a better outlook for the future as a result of the government's policy changes, growers are rebuilding herds depleted by heavy slaughter in recent years. Exports from Argentina--the United States principal competitor in the world hide market--have been relatively high for the past 2 years as a result of this heavy slaughter.

Shipments of raw cattle hides and calf skins in 1958 totaled 10.3 million pieces, slightly below the 11.0 million pieces shipped in 1957. Shipments of cattle hides in 1958 totaled 6.2 million pieces and calf skins 4.1 million. Principal destinations for cattle hides were the U.S.S.R. (1.3 million) and the Netherlands (1.0 million). The latter was the leading market for calf skins, taking 1.1 million pieces. Soviet Bloc countries (Poland, Czechoslovakia, Hungary, and Rumania) took 1.5 million cattle hides and about the same number of calf skins.

Cattle hide prices in the domestic market are up sharply, with some types as much as 4 times the level of a year ago. This is due to reduced supplies and also to new exchange measures adopted at the beginning of the year, which, in effect, devalued the peso and thus raised domestic prices (see Foreign Crops and Markets, January 26, 1959). Under the present system, exchange earnings are converted at the free rate but are subject to a retention of 20 percent for dry hides and 10 percent for wet, salted hides.

NEW ZEALAND MEAT SHIPMENTS
TO U. S. IN APRIL AND MAY

Meat cargoes to the United States from New Zealand in April and May are as follows:

Ship	Departure	Quantity (1,000 lbs.)	Destination
Roscommon.....	April 29	336	East Coast
Port Brisbane.....	May 30	13,440	East Coast
Orcades.....	May 1	224	West Coast
Monterey.....	May 9	560	West Coast
Saracen.....	May 29	3,136	West Coast

CANADIAN CATTLE
SLAUGHTER DROPS

Compared with last year, slaughter of cattle and calves in Canada dropped sharply during the first 3 months of 1959.

Inspected production of beef and veal dropped 12 percent during the same period--from 259.5 million pounds in 1958 to 228.8 million pounds in 1959. Canadian cattle slaughter has dropped as a result of reduced numbers and the fact that farmers have been holding back animals from slaughter in order to build up herds. Canadian cattle numbers dropped 2 percent in 1958.

High hog prices and heavy grain production in 1958 encouraged farmers to enlarge their breeding programs, and Canadian hog numbers are now unusually high. Hog slaughter in the first 3 months of this year was up from the same period a year earlier; it is expected to remain high during 1959. Due to heavy production, the Canadian Department of Agriculture has been forced to buy hog carcasses and cuts to support prices at guaranteed levels. Canadian hog prices have been maintained during the first quarter of this year and are expected to remain stable for several months.

Sheep and lamb slaughter increased sharply to 90,000 head, 8 percent above the first quarter of 1958. Due to a 2-pound increase in average slaughter weight, mutton and lamb output of 4,359,000 pounds was 13 percent above the first quarter of 1958.

LIVESTOCK SLAUGHTER (INSPECTED): Canada, January-March
1955-59, with percent change from previous year

Year	Cattle		Calves		Hogs		Sheep and lambs	
	Number	Change	Number	Change	Number	Change	Number	Change
	: 1,000 : head	: : : Percent	: 1,000 : head	: : : Percent	: 1,000 : head	: : : Percent	: 1,000 : head	: : : Percent
1955.....	399	: +1	161	: -7	1,400	: +22	95	: +13
1956.....	431	: +8	172	: +7	1,532	: +9	97	: +2
1957.....	451	: +5	156	: -9	1,336	: -13	96	: -1
1958.....	461	: +2	159	: +2	1,420	: +11	83	: -14
1959.....	401	: -13	139	: -12	2,106	: +48	90	: +8

Source: Canadian Department of Agriculture.

ARGENTINE CORN CROP DAMAGED

According to recent reports, widespread heavy rains and floods in Argentina have caused substantial damage to the corn crop, still being harvested. Unofficial forecasts had been placing the corn outturn at about 235 million bushels before the unfavorable weather reduced prospects. Present estimates of corn losses run as high as 20 percent of the previously expected total.

CONSUMPTION, PRICES, AND EXPORTS OF BEEF DECLINE IN ARGENTINA

The Argentine National Meat Board states that if beef consumption remains at present levels, 1959 per capita consumption will be about 30 percent below the 190 pounds of 1958.

Retail beef prices have not declined proportionately with wholesale beef prices, which dropped from 15 cents per pound in January to 13 cents per pound in March. However, industry officials expect consumption to increase when consumers realize that beef prices are relatively no higher than prices of other foodstuffs.

Beef exports for the first quarter of 1959 dropped 33 percent from the 397 million pounds exported in the same period of 1958. March exports, however, increased greatly from February, as increased marketings of steers in late February and March made large supplies of beef available. Cow marketings are still low, as ranchers continue to hold back animals for breeding. Thus, canned meat production and exports to date in 1959 are much below the 1958 levels.

PERU INCREASES IMPORT DUTIES ON MEAT PRODUCTS

A 10-percent increase in Peru's ad valorem import duties on meat products became effective April 7, 1959.

Total U. S. meat exports to Peru, at 150,000 pounds in 1958, were down 40 percent from 252,000 pounds in 1957. Principal U. S. export items to Peru are canned beef, veal, pork, sausages, miscellaneous canned items, bacon, uncanned sausages (mostly franks and bologna) and variety meats. Exports of baby foods, among the principal items in 1957, were almost nil in 1958. Meat items affected by the increase are:

Item	Old duties	New duties
All sausage.....	15.66	25.66
Preserved ham.....	15.66	25.66
Preserved bacon in packages.....	15.66	25.66
All canned meats.....	15.66	25.66
Meat extracts (paste, liquid, or dry forms, including those for soups with or without vegetables).....	15.66	25.66
All liquid soups and broths made from meat.:	15.66	25.66

CANADA STUDIES EFFECTS OF SUMMERFALLOW ON YIELDS

Wheat on summerfallowed land in Canada's Prairie Provinces in 1958 yielded an average of 18.8 bushels per acre, compared with only 10.7 bushels per acre on stubble land. A recent survey by the Dominion Bureau of Statistics, showing yields of the principal grains under both types of growth, is the first of its scope made in Canada.

The advantage of the grain grown on summerfallowed land is of particular significance since there has been a marked increase in the practice of summerfallowing in the Prairie Provinces. Contrasting with the 1958 wheat acreage, of which about 77 percent was grown on summerfallow and 23 percent on stubble, all land under summerfallow during 1921-24 was only 45 percent of the wheat acreage during that period.

During 1958, in addition to 77 percent of the wheat acreage on summerfallow, 32 percent of the acreage in oats and 49 percent of the barley also returned higher yields because of that advantage. Oats yields averaged 40.9 bushels per acre on summerfallow, contrasted with 27.3 bushels on stubble. The comparable figures for barley were 30.5 and 20.6 bushels. High percentages of total acreage in flaxseed and rapeseed were also grown on summerfallow.

YUGOSLAV PRUNE CROP
PROSPECTS FAVORABLE

Judging by early-season indications, Yugoslavia will have a large prune crop. In Serbia, the main producing area, prune trees had a heavy bloom and thus far there has been no adverse weather which would prevent a good set. If present favorable conditions continue, the dried prune pack could be unusually large.

U.S. GRASS AND LEGUME SEED EXPORTS
LARGER IN MARCH

U. S. exports of grass and legume seeds amounted to 5,356,000 pounds in March, compared with 3,556,000 pounds in February, and 4,523,000 pounds in March 1958. However, the crop year (July-March) total of 34,392,000 pounds is more than 5 million pounds less than for the corresponding period last year.

Canada received almost one-half of the March exports. The next largest amounts went to Venezuela and Italy.

GRASS AND LEGUME SEEDS: U.S. exports, March 1959,
with comparisons

Kind of seed	March		July 1-March 31	
	1958	1959	1957-58	1958-59
	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds
Alfalfa, certified.....	1,903	1,587	1/	1/
Alfalfa, uncertified.....	343	586	1/	1/
Alfalfa, total.....	2,246	2,173	17,282	10,132
Alsike.....	221	0	725	387
Ladino.....	115	134	1/	1/
Clovers, other.....	140	343	3,228	4,884
Bentgrass.....	206	290	1/	1/
Fescue.....	373	256	3,134	3,479
Kentucky bluegrass.....	100	185	935	1,848
Orchard.....	15	33	174	362
Redtop.....	65	27	667	405
Timothy.....	276	485	2,222	2,824
Grasses, other.....	766	1,430	11,267	10,071
Total.....	4,523	5,356	39,634	34,392

1/ Prior to January 1, 1958, certified and uncertified alfalfa combined; Ladino in "other clovers"; and bentgrass in "other grasses".

NEW ZEALAND LIFTS EMBARGO ON CANNED DECIDUOUS FRUIT

According to the Australian Ministry of Trade, New Zealand has lifted the embargo on canned deciduous fruit it imposed last January 1. The new licensing program allocates imports of all canned fruits from all countries to 50 percent of the value of the licenses issued during 1958.

New Zealand's import licenses for both dried tree-fruits and vine-fruits, originally limited to 75 percent of the amount available during 1957, have been increased by about 17 percent under the new regulations.

GREECE EXPECTS TO PLANT SAME RICE ACREAGE; IMPORTS UP SLIGHTLY

Rice acreage to be planted in Greece this spring is expected to approximate the increased acreage of 1958. The 42,000 acres in rice last season--the largest in 3 years--produced almost enough rice to meet domestic requirements.

The 1958 rough-rice crop of 147.4 million pounds was 16.2 million more than in 1957, and 52 million more than in 1956. In line with the government's policy to use land for maximum returns to farmers, rice cultivation tends to be limited to areas where other crops are less profitable.

The Ministry of Agriculture has about 1,430,000 pounds of rice seed for distribution to farmers, compared with 1,790,000 pounds last year. About 1,410,000 pounds is "American 1600," a short-grain, high-yielding variety, well adapted to the Greek soil and climate. About 18,000 pounds is "Lomello", a long-grain variety recently introduced from Italy. Because it is earlier and higher yielding, the "Lomello" is expected to replace the long-grain "Bersani".

Milled rice imports in 1958, at 25.8 million pounds, were slightly more than 24-million-pound imports in 1957. Over half--13.2 million pounds--were from the United States. The next largest suppliers were Thailand (4.7 million pounds) and the Netherlands (3.1 million). Smaller amounts came from Belgium, Egypt, Italy, Hungary, and other countries. All imports except 11.2 million pounds imported by the Ministry of Commerce were long-grain rice. Only 3 to 5 percent of the Greek rice crop is of long-grain varieties.

Retail prices on the Athens market have been running about the same as a year earlier. The price stability, despite larger production and imports, indicates rice consumption is increasing. Prospects for continued imports, therefore, appear good, especially of long grain rice.

Higher purchasing power in Greece has increased demand for better grades of imported rice. Greatly increased purchase of U.S. parboiled rice is a good example of the effects of advertising and supplying a uniform-quality product. Parboiled rice sells retail at Athens for about 18.4 cents a pound, compared with 14 cents for "Bersani" and 9 cents for "Americano".

GREECE: Rice retail prices 1/ on Athens market, by months, 1958

Month	Domestic rice		Imported rice	
	Americano	Bersani	Thailand <u>2/</u>	United States <u>3/</u>
	:U.S. dollars :per 100 lb.	:U.S. dollars :per 100 lb.	:U.S. dollars :per 100 lb.	:U.S. dollars :per 100 lb.
January.....	9.21- 9.68	13.58-14.17	13.82-14.29	13.70-15.12
February.....	9.45-10.16	13.58-14.76	13.82-14.29	13.70-15.12
March.....	9.45-10.27	14.17-14.64	13.82-14.29	13.70-15.12
April.....	9.68-10.04	14.17-15.83	13.82-14.29	13.70-15.12
May.....	9.80-10.39	14.17-15.00	13.82-14.29	13.70-15.12
June.....	9.68-10.39	14.17-12.70	13.82-14.29	14.17-14.64
July.....	9.68-10.39	14.17-12.70	----	14.17-14.64
August.....	9.92-10.63	13.58-15.59	----	14.17-14.64
September.....	10.27-10.63	13.58-15.59	13.70-14.64	13.70-14.64
October.....	8.98- 9.57	12.99-14.88	13.70-14.64	13.70-14.64
November.....	8.98- 9.57	12.99-14.88	13.70-14.64	13.70-14.64
December.....	8.98- 9.57	13.46-14.53	13.35-14.17	15.71-15.83

1/ Wholesale prices are about 10 percent below the retail price. 2/ Long-grain. 3/ Long-grain imported largely in bags. Does not include long-grain parboiled rice sold under brand names.

Compiled from a trade source.

BELGIUM RAISES IMPORT TAXES ON GRAIN SORGHUMS

Belgium recently increased its license tax on imports of milo, other grain sorghums, and millet from 33 to 60 Belgian francs per quintal (U.S. cents per bushel equivalents: for sorghums--from 16.8 to 30.5; for millet--from 15.0 to 27.2). This represents an increase of 81.8 percent. The import license tax for buckweat, however, remains unchanged at 33 francs per quintal (15.0 cents per bushel).

On August 15, 1958, Belgium increased from 45 to 130 percent its import license taxes on other grains, on meals of other grains, on flour, and on barley groats, but taxes on grain sorghums and millet were raised only slightly.

SWITZERLAND IS MARKET FOR BROWN RICE

Any substantial increase in U.S. rice exports to Switzerland in coming months will depend on whether brown rice can be made available at competitive prices. Swiss distributors are interested in rice-market promotion projects. They believe per capita consumption could be increased.

Brown rice imports into Switzerland have increased steadily in the last decade. In 1958, brown rice comprised 77 percent of total rice imports (see Foreign Crops and Markets, March 30) compared with 51 percent in the 1951-55 average period.

Some protection is afforded Swiss rice mills by customs tariffs. The customs duty on milled rice is 45 Swiss francs per metric ton (47 cents per 100 pounds). On rough and semi-milled rice, it is only 6 francs per ton (6 cents per 100 pounds).

On the average, 80 percent of Switzerland's rice requirements come from Italy, 10 percent from the United States, and 10 percent from other countries. Most of the rice mills are in southern Switzerland comparatively near the Italian rice area in the Po plain. Bagged semi-milled rice is transported from there by rail to Swiss mills.

Brown rice imports from the United States in 1958 were less than half of a metric ton. Milled rice imports from the United States, at 1,495 tons, amounted to 6 percent of Switzerland's total rice imports. The Swiss like the quality of U.S. milled rice, particularly Blue Rose. However, present high prices limit imports of such rice.

RICE: Switzerland, wholesale prices of imported 1/ milled rice
at Bern, April 1959

Type	Price	Type	Price
	Dollars per		Dollars per
	<u>100 pounds</u>		<u>100 pounds</u>
Italian:		United States:	
Originario.....	7.55	Blue Rose.....	9.75
Ardizzone.....	8.39	Blue Bonnet.....	9.02
Rinaldi Bersani.....	9.96	Zenith 2.....	9.75
Vialone.....	11.32		
Arborio.....	11.53	Thailand:	
Hungarian:		No broken, milled :	
(5% broken).....	8.39	in Netherlands....	9.96
<u>1/</u> Customs and duties paid.			

Compiled from a trade source.

Swiss soup manufacturers are using increasing quantities of broken rice. They imported 1,434 metric tons of broken in 1958, against 373 tons in 1957 and 283 tons in 1956. This use of broken is likely to increase further. The Swiss soup industry has aggressive domestic and foreign sales promotion programs. Exports of dehydrated soups rose sharply from 2,880 tons in 1955 to an average of 6,800 tons in 1957 and 1958.

Brown rice is processed in Swiss mills at the rate of 75 percent. The remaining 25 percent is used as feed by the feed-mixing industry.

PHILIPPINES FIXES FLOUR IMPORT QUOTAS

To conserve reserves of dollar exchange and assure markets for domestically produced flour, the Philippine Central Bank has announced second-quarter flour import quotas of 250,000 bags for May and 500,000 bags for June. Only Filipino and United States traders will be permitted to import this flour.

Third-quarter quotas will be announced later. Individual traders will be allowed import quantities based on their imports in 1954, 1957, or 1958, whichever were the highest.

SWISS POULTRY IMPORTS CONTINUE UPWARD CLIMB

Switzerland's poultry imports continue to increase. Last year poultry imports were up 40 percent from 1957, due primarily to increased takings of ready-to-cook U. S. poultry (see Foreign Crops and Markets, February 9). During the first quarter of 1959 total imports were 6.6 million pounds, compared with about 4.4 million pounds during the comparable quarter of 1958.

Imports from the United States in the 1959 quarter were about 4.2 million pounds, more than twice the amount imported during the first quarter of last year.

NEW PASTEURIZING PLANT IN KENYA

The Kenya Cooperative Creameries recently opened a new milk pasteurizing plant in Nairobi. Described by the Nairobi press as "one of the finest milk processing plants in the whole of the African Continent," the plant and equipment cost the equivalent of \$176,000.

The plant can pasteurize 24,000 gallons per day using the high-temperature, short-time method. Its metropolitan location allows it to pasteurize and package milk near the consumer. Formerly, this was done in outlying districts, and the pasteurized milk had to be trucked into the city ready for retail sale.

SPAIN'S ORANGE EXPORTS TO END EARLY

Trade sources report that Spain's remaining orange crop is showing a large percentage of culls and waste due to the ripeness of the fruit. Rain and warm weather are said to have affected the crop.

Late varieties--Vernas and Valencias--are reported to be a month earlier than last season. These conditions will reduce Spanish exports in June.

(Israel is expected to end its citrus export season by May 15.)

BELGIUM PRODUCES MORE MARGARINE IN 1958; IMPORTS LESS OILS AND OILSEEDS

The Belgian margarine industry produced 111,550 short tons in 1958, an increase of 6 percent from the previous year and 10 percent above 1956. Consumption has generally paralleled the increasing output, and stock changes have been relatively small. Belgium's external trade in margarine is small, but exports usually exceed imports.

MARGARINE: Belgium, supply and distribution, annual 1956-58

	1956	1957	1958 ^{1/}
	Short tons	Short tons	Short tons
Supply:			
Stocks, January 1.....	1,748	2,022	1,777
Production.....	101,337	105,000	111,550
Imports.....	34	122	374
Total.....	103,119	107,144	113,701
Distribution:			
Exports.....	259	492	522
Consumption.....	100,838	104,875	111,349
Stocks, December 31.....	2,022	1,777	1,830
Total.....	103,119	107,144	113,701

^{1/} Preliminary.

Institut National de Statistique, except for consumption data.

Although no data are available to indicate the quantities of various oils used last year in margarine manufacture, import figures indicate that peanut and palm kernel oils replaced much of the coconut oil normally used. Reduced world supplies of coconut oil and larger availabilities of West African peanuts account for the shift.

Imports of both oilseeds and vegetable oils were down again in 1958. However, there was a sizable increase in oilcake and meal imports. Argentine linseed cake and meal accounted for nearly all of this increase. Vegetable oil exports in 1958 were down sharply as a result of smaller shipments of linseed and palm oils.

OILSEEDS, OILS, OILCAKES, AND MEALS: Belgium, imports and exports
by commodity, annual 1956-58

Commodity	Imports			Exports		
	1956	1957	1958 <u>1/</u>	1956	1957	1958 <u>1/</u>
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Oilseeds:						
Peanuts.....	40.2	42.3	63.5	.4	<u>2/</u>	---
Soybeans.....	44.3	38.0	42.1	---	---	---
Rapeseed.....	3.7	2.3	1.7	.6	.4	.2
Copra.....	36.3	49.1	20.8	---	---	---
Palm kernels.....	23.9	14.6	32.9	---	---	---
Flaxseed.....	71.3	61.7	19.0	5.6	6.9	10.5
Castor beans.....	4.0	4.9	5.0	---	---	<u>2/</u>
Others.....	13.6	11.8	16.8	.4	.3	.3
Total.....	237.3	224.7	201.8	7.0	7.6	11.0
Vegetable oils <u>3/</u> :						
Peanut.....	29.5	25.9	20.5	14.1	5.9	8.1
Coconut.....	6.1	5.1	6.5	4.5	3.4	1.3
Palm.....	45.3	44.9	42.0	7.8	9.5	5.0
Palm kernel.....	3.3	3.1	3.6	.6	1.8	3.8
Linseed.....	.2	.1	.6	19.4	17.8	4.2
Others.....	8.2	9.1	9.9	9.3	8.6	6.4
Total.....	92.6	88.2	83.1	55.7	47.0	28.8
Oilseed cakes and meals:	162.9	165.6	253.2	58.1	43.1	44.7

1/ Preliminary. 2/ Less than 50 tons. 3/ Crude and refined.

Institut National de Statistique.

CHILE INCREASING FATS AND OILS
OUTPUT IN 1959

Chilean producers of edible fats and oils are expected to increase their 1959 domestic output more than 10 percent above 1958.

A sharp rise in sunflower seed oil and rapeseed oil will account for most of the gain, but slight increases also are expected in lard, butter, and edible tallow. Animal fats account for around one-half of the total domestic outturn of fats and oils. Little change is expected in the production of industrial fats and oils. (Continued on following page)

Chile's imports of edible fats and oils in 1959 are forecast at 24,000 short tons, down 10 percent from 1958. However, sharply reduced Argentine supplies due to recent adverse weather--Argentina supplies all lard imported into Chile and most of the vegetable oils--may mean even smaller imports or imports from other areas. Even if imports are cut sharply, consumption could be maintained at present levels because of the sizable stock buildup in 1957 and 1958.

FATS AND OILS, EDIBLE 1/: Chile, estimated supply and distribution, annual 1957-58, forecast 1959

Supply and Distribution	1957	1958	1959 <u>2</u> /
	1,000	1,000	1,000
	<u>short tons</u>	<u>short tons</u>	<u>short tons</u>
Opening stocks, January 1.....	3.6	11.5	14.9
Production.....	45.4	49.1	55.0
Imports.....	34.9	26.9	24.0
Total supply.....	83.9	87.5	93.9
Exports.....	<u>3</u> /	.1	.1
Consumption.....	72.4	72.5	76.0
Ending stocks, December 31.....	11.5	14.9	17.8
Total distribution.....	83.9	87.5	93.9

1/ Includes edible vegetable oils, lard, edible tallow, and the fat content of butter. 2/ Forecast. 3/ Less than 50 tons.

Source: Compiled from official data and trade estimates.

The Chilean vegetable oil industry is encouraging domestic sunflower seed and rapeseed production. Financial and technical aid, and favorable guaranteed prices on contracted acreage, have stimulated production of these crops, and further expansion is expected next year. Production in the last 3 years has been as follows in 1,000 short tons:

Seed	1957	1958	1959
Sunflower seed.....	51.7	60.7	70.0
Rapeseed.....	13.9	16.7	23.0

NIGERIA HAS LARGE EXPORTABLE SUPPLY OF PEANUTS

Nigeria's supply of shelled peanuts for export or carryout in the current marketing season (November 1958-October 1959) is estimated at about 648,000 short tons, compared with an exportable supply of about 683,000 tons and actual exports of 523,000 tons the previous year.

PEANUTS (SHELLED): Nigeria, supply and distribution
of commercial crop, 1957-58 and 1958-59 1/

Supply and Distribution	1957-58	1958-59 2/
	<u>Short tons</u>	<u>Short tons</u>
Opening stocks, November 1.....	0	160,345
Purchases.....	800,578	604,910
Total supply.....	800,578	765,255
Crushing (Kano mills).....	117,600	117,600
Exports.....	522,633	} 647,655
Ending stocks, October 31.....	160,345	
Total distribution.....	800,578	765,255

1/ Revised. 2/ Preliminary estimate.

Commercial purchases from the 1958-59 crop are now estimated at 605,000 tons or 196,000 tons less than 1957-58 crop purchases. However, total supply may be only about 5 percent less than a year earlier because of the large carryover from last year.

On a calendar year basis, Nigerian exports of shelled peanuts, peanut oil, and peanut cake in 1958, with 1957 exports in parentheses, were as follows in short tons: peanuts, 574,759 (338,673); peanut oil, 44,342 (43,240); and peanut cake, 65,349 (47,047).

U.S. WHEAT EXPORTS HIGH IN MARCH

The United States exported 37 million bushels of wheat in March 1959, compared with 27 million in March 1958. Shipments were the largest in any single month since June 1957, when exports were 51 million bushels. Flour exports, however, dropped from 7.1 million bushels in March 1958 to 5.2 million in March this year.

Total exports of flour and wheat during April 1959 are preliminarily estimated to have been slightly below the 35 million bushels exported in April last year.

Wheat and flour exports during the first 9 months (July-March) of 1958-59 totaled 324 million bushels, approximately 11 percent above those for the same period a year earlier. Wheat exports accounted for almost all of this increase. The largest gain was in exports to India, up about 44 percent. Shipments to Brazil and Yugoslavia were also much larger; but those to Poland, Japan, and Pakistan were sharply reduced. (See table on following page)

WHEAT AND FLOUR: U.S. exports by country of destination, July-March 1957-58
July-March 1958-59

Country of destination	July-March 1957-58			July-March 1958-59		
	Wheat	Flour	Total	Wheat	Flour	Total
		1/			1/	
	1,000	1,000	1,000	1,000	1,000	1,000
	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>	<u>bushels</u>
Western Hemisphere:						
British West Indies	1	2,577	2,578	19	2,170	2,189
Central America	1,088	3,403	4,491	932	3,177	4,109
Cuba	2,405	3,443	5,848	3,647	2,086	5,733
Brazil	8,937	2,081	11,018	16,382	—	16,382
Chile	1,968	75	2,043	—	26	26
Colombia	3,261	486	3,747	2,212	507	2,719
Peru	2,771	230	3,001	4,941	454	5,395
Venezuela	617	4,865	5,482	2,246	2,282	4,528
Others	642	3,350	3,992	1,255	2,415	3,670
Total	21,690	20,510	42,200	31,634	13,117	44,751
Europe:						
Austria	1,117	—	1,117	805	36	841
Belgium-Luxembourg	1,775	43	1,818	3,290	13	3,303
Denmark	1,285	9	1,294	931	—	931
Greece	2,103	2	2,105	1,689	—	1,689
Germany, West	14,174	37	14,211	14,859	10	14,869
Netherlands	3,115	2,840	5,955	6,034	2,785	8,819
Norway	231	683	914	3,135	575	3,710
Poland	18,479	—	18,479	9,131	—	9,131
Sweden	843	48	891	2,113	25	2,138
United Kingdom	16,518	730	17,248	17,657	2,613	20,270
Yugoslavia	5,664	27	5,691	17,281	—	17,281
Others	3,439	1,212	4,651	2,571	1,019	3,590
Total	68,743	5,631	74,374	79,496	7,076	86,572
Asia:						
Ceylon	—	588	588	—	1,435	1,435
India	66,332	22	66,354	95,286	44	95,330
Israel	7,211	7	7,218	5,256	5	5,261
Japan	32,011	1,601	33,612	22,666	1,462	24,128
Korea	6,554	837	7,391	7,393	693	8,086
Lebanon	—	1,250	1,250	2,087	1,603	3,690
Pakistan	17,657	1	17,658	9,237	170	9,407
Philippine Republic	—	6,222	6,222	579	6,487	7,066
Saudi Arabia	14	1,276	1,290	56	1,823	1,879
Taiwan (Formosa)	5,227	5	5,232	4,911	—	4,911
Turkey	3,801	—	3,801	1,003	—	1,003
Vietnam, Laos, & Cambodia	—	688	688	—	2,135	2,135
Others	2,071	1,245	3,316	1,904	1,402	3,306
Total	140,878	13,742	154,620	150,378	17,259	167,637
Africa:						
Algeria	—	9	9	1,486	1	1,487
Ghana	—	1,211	1,211	—	1,087	1,087
Morocco	1,448	—	1,448	—	16	16
Tunisia	151	168	319	1,568	—	1,568
Western British Africa ...	—	1,560	1,560	—	1,639	1,639
Others	757	1,458	2,215	1,058	1,594	2,652
Total	2,356	4,406	6,762	4,112	4,337	8,449
Oceania	—	26	26	—	25	25
Unspecified 2/	435	11,916	12,351	941	15,190	16,131
World total	234,102	56,231	290,333	266,561	57,004	323,565

1/ Wholly of U.S. wheat (grain equivalent). 2/ Includes shipments for relief or charity which are not shown by destination.

Source: Bureau of the Census.

CANADA TO DISCONTINUE SUPPORT PRICE FOR NONFAT DRY MILK

In its April 23 announcement of 1959-60 dairy price supports, Canada indicated that the support price for nonfat dry milk will be discontinued after September 30.

From May 1 until that date, the support price for spray process nonfat dry milk will be 10 cents per pound, and the price for roller process will be 8 cents per pound. This represents reductions from last year's support prices of 5 and 4 cents, respectively, (in effect to April 30, 1959) and even greater reductions from the 17 and 14 cents per pound, respectively, for first-grade spray and roller process in the year ended April 30, 1958 (see Foreign Crops and Markets, May 19, 1958). The reduced support prices are intended to be in effect long enough to give the Canadian dairy industry time to readjust the milk utilization pattern.

Also effective May 1, producers delivering milk for manufacturing purposes will receive 25 cents per hundred weight from the Stabilization Board, provided they do not sell their milk in the fluid milk market.

A nonfat dry milk surplus has been a problem in recent years. Of the 187 million pounds produced last year, 103.3 million pounds reportedly were in excess of domestic needs, and were bought by the Stabilization Board. Sales of government holdings for feed, and donations to relief agencies, have not proved a satisfactory means of disposal. Of the 30 million pounds offered for foreign donations last year (see Foreign Crops and Markets, March 3, 1958), only 18.8 million pounds are said to have been taken. Government holdings on April 23 were about 62 million pounds.

The support price for cheese will be reduced to 32 cents per pound f.o.b. warehouse in Ontario and 31.5 cents per pound, Montreal and Quebec. These prices are 2 cents per pound lower than last year. However, the 25 cents per hundred weight paid producers for manufacturing milk, plus the new support price, is expected to make the effective price for cheese about 0.8 cents per pound above the support price in effect for 1958-59.

The support price for butter remains unchanged at 64 cents per pound.

U. S. EXPORTS MORE COTTON IN MARCH

U. S. exports of cotton (all types) in March 1959 were 295,000 bales of 500 pounds gross (284,000 running bales), up 35 percent from February exports of 219,000 bales, but down 41 percent from exports of 500,000 bales in March 1958.

Exports during August-March 1958-59 totaled 2,005,000 bales (1,931,000 running bales), compared with 3,938,000 bales in the corresponding 1957-58 period. Destinations of the August-March exports will be published in Foreign Crops and Markets next week.

MEXICO'S COTTON ACREAGE DOWN IN 1959

Area planted to cotton in Mexico in 1959 is considerably below the 2,510,000 acres planted in 1958, principally because of the tight production-credit situation caused by declining prices of Mexican cotton late in 1957-58 and during the first half of the current season.

Estimates of total 1959 cotton acreage are not yet available, but some trade sources believe plantings may be down 25 to 30 percent from last year. Acreage is said to be smaller in all major cotton-growing districts--with the sharpest decline in LaPaz, where the credit situation is the most difficult.

The decline in acreage alone is not likely to result in a proportionate drop in 1959-60 production, since only the most efficient farmers were able to obtain loans. Also, the sharpest declines in acreage were in the more marginal areas. Planting of the 1959-60 crop is nearing completion, with some replanting in Matamoros and Chihuahua.

The 1958-59 crop in Mexico reached a record high of 2,350,000 bales (500 pounds gross). This was an increase of 13 percent from the 1957-58 crop of 2,085,000 bales and exceeded by 4 percent the previous record 2,250,000 bales in 1955-56.

Cotton exports from Mexico during August-February of this season totaled 1,221,000 bales--up 9 percent from exports of 1,117,000 bales in the same months of 1957-58.

Quantities exported direct to principal destinations during August-February 1958-59, with comparable 1957-58 figures in parentheses, were: Japan 226,000 bales (181,000); West Germany 55,000 (32,000); Canada 46,000 (23,000); United States 33,000 (73,000); Belgium 30,000 (15,000); Netherlands 21,000 (28,000); Switzerland 16,000 (34,000); United Kingdom 16,000 (19,000); and Italy 10,000 (6,000).

In addition to direct exports, sizable quantities of Mexican cotton move through U.S. ports for transshipment to foreign destinations. Transshipments during August-January 1958-59 (Foreign Crops and Markets, May 4, 1959) amounted to 483,000 bales, compared with 539,000 in the corresponding 1957-58 period.

Cotton consumption in Mexico is expected to be around 485,000 bales this season--up 5 percent from the 460,000 bales used in 1957-58. On the basis of the foregoing figures, cotton stocks on March 1, 1959, were about 1,175,000 bales, compared with about 825,000 bales a year earlier.

Prices of Mexican cotton in foreign import markets have strengthened in recent months, and some qualities are now more than $1\frac{1}{2}$ cents a pound above the postwar lows of December 1958. Mexican Middling 1-1/32 inches cotton was quoted in the Liverpool market at 27.57 cents per pound on April 30, 1959, compared with 25.98 cents on December 4, 1958.

YUGOSLAVIA'S 1958-59 IMPORTS
OF COTTON UP SHARPLY

Yugoslavia's imports of cotton in the first half (July-December) of its 1958-59 season amounted to 103,000 bales (500 pounds gross). This was an increase of 45 percent from imports of 71,000 bales in July-December 1957.

Imports from the United States were 77,000 bales during the period under review, compared with 61,000 bales a year earlier. The U. S. cotton was purchased under Public Law 480 agreements. About 16,000 bales of Russian cotton were received in December under terms of a trade agreement which includes a total of 23,000 bales of cotton. The Yugoslav-Russian trade agreement for next season, recently signed, includes only 14,000 bales of cotton.

Imports from other countries during July-December 1958, with comparable 1957 figures in parentheses, were: Burma 6,000 bales (0); Greece 3,000 (1,000); Sudan 873 (110); and Egypt 684 (8,000).

Cotton consumption this season is expected to be slightly below the 205,000 bales used in 1957-58. However, consumption of synthetic fibers probably will be somewhat higher than last year, as the rayon staple plant in Loznica is now operating near full capacity.

Since the capacity of the local weaving industry is larger than that of the cotton spinning industry, Yugoslavia imports cotton yarn, usually through barter arrangements for Yugoslav gray goods. Also, some cotton bought from producing countries is shipped to third countries for spinning--principally to Italy, although some is sent to Austria and Germany. About 17,000 bales will be shipped to third countries for spinning this season. Some increase is expected in the capacity of the local spinning industry in 1958-59 by the addition of new equipment. In some cases, outmoded machinery is being replaced.

On February 12, 1959, the government reduced taxes on textiles, which in effect lowered the prices of cotton and cotton-type synthetic fabrics by 10 percent. The primary purpose of the reduction was to counteract the upward trend in the cost-of-living index which threatened to offset general wage increases effective since October.

The 1958-59 cotton crop in Yugoslavia is estimated at 10,000 bales. Although somewhat above earlier estimates, it is 33 percent below the 1957-58 crop of 15,000 bales. Prolonged drought in Macedonia, where over 90 percent of Yugoslavia's cotton is grown, accounts for this year's smaller crop. Cotton acreage increased slightly--from 31,000 acres in 1957-58 to 32,000 this season. Cotton production may expand somewhat in Macedonia over the next few years as irrigation and drainage projects are completed. But competition from such crops as tobacco, rice, sugar beets, fruits, and vegetables tend to discourage large increases in cotton.

U. S. COTTON LINTERS EXPORTS INCREASE

U. S. exports of cotton linters, mostly chemical qualities, were 37,000 bales (500 pounds gross) in March 1959. This was an increase of 61 percent from February exports of 23,000 bales and more than double the 16,000 bales exported in March 1958. Exports during August-March 1958-59 totaled 205,000 bales, compared with exports of 171,000 bales a year earlier.

Principal destinations of linters exports during August-March 1958-59 with comparable 1957-58 figures in parentheses, were: West Germany 83,000 bales (88,000); Japan 39,000 (12,000); United Kingdom 36,000 (35,000); Canada 22,000 (19,000); and France 18,000 (11,000).

Linters exports during August-February 1958-59 and 1957-58 published in Foreign Crops and Markets, April 13, 1959, should be corrected to read 168,000 bales and 155,000 bales respectively.

INDIA ANNOUNCES ADDITIONAL EXPORT ALLOTMENT FOR PEANUTS AND PEANUT OIL

India announced, on March 31, a repeat allotment for HPS (hand-picked-select) peanuts equal to 25 percent of the basic year's exports and peanut oil equal to 15 percent of the basic year's exports. Shipment will be through June 1959. (For earlier announcement see Foreign Crops and Markets, February 16, 1959.

Established shippers will be granted special licenses allowing them to export $3\frac{1}{2}$ tons of peanut oilcake (expeller variety) for every ton of peanut oil exported by them against contracts concluded during March-May. Exporters of salad oil (refined peanut oil) will be permitted to export $\frac{1}{4}$ tons of peanut oilcake (expeller variety) for each ton of oil exported against contracts concluded during this period. The existing quota licensing system for the export of oilcake, without reference to oil exports, will not be affected by the increase.

Some trade sources say that the increase in export quotas will not stimulate any additional exports of the above commodities under the existing ratios of domestic to foreign prices of oil and oilcake, because the profit which may be earned by exporting $3\frac{1}{2}$ or $\frac{1}{4}$ tons of oilcake is not nearly sufficient to offset the loss which would be incurred in exporting a ton of groundnut oil. They do not expect any change in the existing relationship between domestic and foreign prices of these commodities which would be great enough to make their export profitable within the period covered by the announcement.

This step is the latest in a series of government efforts to stimulate exports of groundnut oil, which up to 3 years ago was an important South Indian export item earning sizable amounts of foreign exchange annually. So far all these efforts have been ineffective.

On April 1, export quotas were released for the following quantities of oilcakes scheduled for shipment during the period April-September 1959: linseed--15,000 long tons; coconut--15,000; nigerseed--10,000; Kardiseed--5,000; and other oilcakes--4,000 tons.

PHILIPPINE 1959 COPRA OUTPUT
UNLIKELY TO EXCEED 1958

Philippine copra production in calendar 1959 is not expected to exceed the 1958 outturn, which was sharply reduced by the severe 18-month drought ending last June. Although rainfall last June-October was adequate, the total for the year was 11 percent below normal in the principal producing areas. The coconut from the flowering stage requires a full year to mature.

Although cadang-cadang disease continues to spread, its effect on 1959 production will not be especially pronounced. Lack of rain will be the principal production-limiting factor.

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